

54:32B-30 et seq.

Cy 2

LEGISLATIVE FACT SHEET

ON *allocates 10% of net receipts of
state revenues as state aid
to municipalities*

N.J.R.S. 54:32B-1 to 30

(*1968* SUPPLEMENT
Amendment)

LAWS OF 1968 - *1968*

CHAPTER *32B*

SENATE *721* *Indoor*

ASSEMBLY

[Rinaldo, McDermott, Schiaffo, Knowlton,
Dickinson, Hagedorn, Schoem, LaCorte, Miller,
Stout, Beadleston, White, H. A. Kelly, Italiano,
Giuliano, DelTufo, Waldor, Maturri, Sisco,
Sciro, Maraziti, Hering, Kay and Dumont]

INTRODUCED *May 6, 1968*

BY

STATEMENT

YES

NO

AMENDED DURING PASSAGE

YES

NO

HEARING *Not scheduled*

VETO *Yes 9/10/68*

But passed over veto

See also:

"Special Message By Governor Richard J. Hughes
on Public Protection" 11/15/68 (Bound w/ Bill)

"Statement by Governor Richard J. Hughes"
(Bound w/ Bill)

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Filed with Sec. of State 9/16/68

Passed 9/13/68

Governor's Objections Notwithstanding
[SECOND OFFICIAL COPY REPRINT]

SENATE, No. 721

STATE OF NEW JERSEY

INTRODUCED MAY 6, 1968

By Senators RINALDO, McDERMOTT, SCHIAFFO, KNOWLTON,
DICKINSON, HAGEDORN, SCHOEM, LACORTE, MILLER,
STOUT, BEADLESTON, WHITE, H. A. KELLY, ITALIANO,
GIULIANO, DELTUFO, WALDOR, MATTURRI, SISCO, SCIRO,
MARAZITI, HIERING, KAY and DUMONT

Referred to Committee on Taxation

AN ACT supplementing the "Sales and Use Tax Act," approved
April 27, 1966 (P. L. 1966, c. 30).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. For the purposes of this act:

2 a. "Population" means the population shown in the last Federal
3 decennial census;

4 b. "Current year" means the calendar year in which the State
5 aid moneys provided for in this act are set aside and appropriated;

6 c. "Apportionment valuation" means the net valuation on which
7 county taxes are apportioned among the municipalities of the
8 county, as defined in Revised Statutes 54:4-49;

9 d. "Effective tax rate," with respect to each municipality, means
10 the total tax levy for the current year on which the tax rate is
11 computed divided by the apportionment valuation for the current
12 year, as shown in the table of aggregates prepared pursuant to
13 Revised Statutes 54:4-52;

14 e. "Qualifying municipality" means a municipality with an
15 effective tax rate of 10 mills per dollar or more in the current year.

1 2. An amount equal to 10% of the net receipts of revenues,
2 but not in excess of \$25,000,000.00, derived by the State in any
3 fiscal year, commencing with the fiscal year ****[1968-69]**** ****1967-**
4 **68****, from the taxes imposed pursuant to the "Sales and Use Tax
5 Act" (P. L. 1966, c. 30) shall be ****[set aside and]**** annually
6 appropriated ****[in the succeeding]**** ****commencing with the****

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.**

7 fiscal year ****1969-70**** as State aid to municipalities for general
8 municipal purposes.

1 3. **[From the]** *The* funds **[set aside and]** appropriated
2 pursuant to this act **[, 1/2** shall be apportioned among the qualifying
3 municipalities in the proportion that the apportionment valuation
4 of each qualifying municipality for the current year bears to the
5 total apportionment valuations of all the qualifying municipalities
6 of the State for the current year, and the remainder**]** shall be
7 apportioned among the qualifying municipalities in the proportion
8 that the population of each qualifying municipality bears to the
9 total population of all the qualifying municipalities of the State,
10 except that no funds shall be apportioned to any municipality in
11 which the effective tax rate for the current year is less than 10 mills
12 per dollar.

1 4. The revenues apportioned and appropriated pursuant to this
2 act shall be in addition to all other State aid to municipalities and
3 shall be so included in each annual general appropriation act,
4 commencing with the general appropriations act for the fiscal year
5 1969-70.

1 5. The Director of the Division of Taxation shall, on or before
2 October 1, **[1969]** ****1968****, and on or before October 1 an-
3 nually thereafter, determine and certify to the State Treasurer******,
4 *who in turn shall notify the governing body of each qualifying*
5 *municipality******* the amount of State aid allocable to each munici-
6 pality pursuant to this act. The State Treasurer annually, on or
7 before December 31, commencing on or before December 31, 1969,
8 upon the certification of the Director of the Division of Taxation
9 and upon the warrant of the State Comptroller, shall pay and dis-
10 tribute to each municipality the amount so determined and certified.

1 6. The Director of the Division of Taxation is authorized to
2 make such rules and regulations, and to require such facts and
3 information from counties and municipalities and their agencies
4 and agencies of State Government as he may deem necessary to
5 carry out the provisions of this act.

1 7. No appeal or review may be taken by any person or any
2 municipality with respect to any of the provisions of this act except
3 in the case of an arithmetical or typographical error in the calcu-
4 lation of the distribution hereunder.

1 8. This act shall take effect **[July 1, 1968]** ****[January 1,**
2 **1969.]**** ****immediately.****

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STATE OF NEW JERSEY

INTRODUCED MAY 6, 1968

By Senators RINALDO, McDERMOTT, SCHIAFFO, KNOWLTON,
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7 county taxes are apportioned among the municipalities of the
8 county, as defined in Revised Statutes 54:4-49;

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3 **municipalities in the proportion that the apportionment valuation**
4 **of each qualifying municipality for the current year bears to the**
5 **total apportionment valuations of all the qualifying municipalities**
6 **of the State for the current year, and the remainder]** shall be
7 apportioned among the qualifying municipalities in the proportion
8 that the population of each qualifying municipality bears to the
9 total population of all the qualifying municipalities of the State,
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3 nually thereafter, determine and certify to the State Treasurer ******,
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2 make such rules and regulations, and to require such facts and
3 information from counties and municipalities and their agencies
4 and agencies of State Government as he may deem necessary to
5 carry out the provisions of this act.

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2 municipality with respect to any of the provisions of this act except
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3 fiscal year, commencing with the fiscal year 1968-69, from the taxes
4 imposed pursuant to the "Sales and Use Tax Act" (P. L. 1966,
5 c. 30) shall be set aside and annually appropriated in the succeeding
6 fiscal year as State aid to municipalities for general municipal
7 purposes.

1 3. From the funds set aside and appropriated pursuant to this
2 act, $\frac{1}{2}$ shall be apportioned among the qualifying municipalities
3 in the proportion that the apportionment valuation of each qualify-
4 ing municipality for the current year bears to the total appor-
5 tionment valuations of all the qualifying municipalities of the State
6 for the current year, and the remainder shall be apportioned among
7 the qualifying municipalities in the proportion that the population
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9 all the qualifying municipalities of the State, except that no funds
10 shall be apportioned to any municipality in which the effective tax
11 rate for the current year is less than 10 mills per dollar.

1 4. The revenues apportioned and appropriated pursuant to this
2 act shall be in addition to all other State aid to municipalities and
3 shall be so included in each annual general appropriation act,
4 commencing with the general appropriations act for the fiscal year
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1 5. The Director of the Division of Taxation shall, on or before
2 October 1, 1969, and on or before October 1 annually thereafter,
3 determine and certify to the State Treasurer the amount of State
4 aid allocable to each municipality pursuant to this act. The State
5 Treasurer annually, on or before December 31, commencing on or
6 before December 31, 1969, upon the certification of the Director of
7 the Division of Taxation and upon the warrant of the State Comp-
8 troller, shall pay and distribute to each municipality the amount
9 so determined and certified.

1 6. The Director of the Division of Taxation is authorized to
2 make such rules and regulations, and to require such facts and
3 information from counties and municipalities and their agencies
4 and agencies of State Government as he may deem necessary to
5 carry out the provisions of this act.

1 7. No appeal or review may be taken by any person or any
2 municipality with respect to any of the provisions of this act except
3 in the case of an arithmetical or typographical error in the calcu-
4 lation of the distribution hereunder.

1 8. This act shall take effect July 1, 1968.

SENATE COMMITTEE AMENDMENTS TO
SENATE, No. 721

STATE OF NEW JERSEY

ADOPTED JUNE 3, 1968

Amend page 2, section 3, line 1, delete "From the", insert therefor "The".

Amend page 2, section 3, line 2, delete ", 1/2 shall be apportioned among the qualifying municipalities".

Amend page 2, section 3, lines 3, 4, and 5, delete lines 3, 4 and 5 in their entirety.

Amend page 2, section 3, line 6, delete "for the current year, and the remainder".

Amend page 2, section 8, line 1, delete "July 1, 1968", insert therefor "January 1, 1969".

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SENATE, No. 721

STATE OF NEW JERSEY

INTRODUCED MAY 6, 1968

By Senators RINALDO, McDERMOTT, SCHIAFFO, KNOWLTON,
DICKINSON, HAGEDORN, SCHOEM, LACORTE, MILLER,
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7 purposes.

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2 suant to this act***[, ½ shall be apportioned among the qualifying**
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6 of the State for the current year, and the remainder]* shall be
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3 determine and certify to the State Treasurer the amount of State
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5 Treasurer annually, on or before December 31, commencing on or
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5 carry out the provisions of this act.

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2 municipality with respect to any of the provisions of this act except
3 in the case of an arithmetical or typographical error in the calcu-
4 lation of the distribution hereunder.

1 8. This act shall take effect ***[July 1, 1968]*** *January 1, 1969.**

SENATE AMENDMENTS TO
SENATE, No. 721
[OFFICIAL COPY REPRINT]

STATE OF NEW JERSEY

ADOPTED JUNE 10, 1968

Amend page 1, section 2, line 3, omit "1968-69"; insert therefor "1967-68".

Amend page 1, section 2, line 5, omit "set aside and".

Amend page 1, section 2, line 5, omit "in the succeeding"; insert therefor "commencing with the".

Amend page 1, section 2, line 6, after "year", insert "1969-70".

Amend page 2, section 3, line 1, omit "set aside and".

Amend page 2, section 5, line 2, omit "1969"; insert therefor "1968".

Amend page 2, section 5, line 3, after "Treasurer", insert ", who in turn shall notify the governing body of each qualifying municipality,".

Amend page 2, section 8, line 1, omit "January 1, 1969"; insert therefor "immediately.".

November 15, 1968

SPECIAL MESSAGE BY GOVERNOR RICHARD J. HUGHES
ON PUBLIC PROTECTION

In September of this year, I conditionally vetoed Senate Bill No. 721. I suggested that the bill be amended to provide that the money appropriated by it be returned to the municipalities of this State for the sole and exclusive purpose of improving law enforcement, with particular emphasis on the improvement of police and firemen's salaries, instead of being returned, as proposed by the Legislature, without standards as to the use of these funds. I further suggested that the Legislature abandon its per capita distribution formula, which failed to take into account the differing needs of our municipalities, in favor of an apportionment based on the ratio which a municipality's tax levy for local purposes bears to the total raised for local purposes by all municipalities of this State. This latter suggestion was designed to extend greater assistance to those municipalities that have the most pressing need for police and fire protection.

The Legislature, as is its right under the Constitution of the State of New Jersey, saw fit to ignore my suggestions and to override my veto of Senate Bill No. 721. I do not seek to renew old arguments. However, some members of the Legislature, in the face of legitimate and vigorous demands by police and firemen, have sought to explain their action in overriding my conditional veto by professing to have misunderstood the clear intent of that veto. I am therefore obliged to set out at some length the operative language of that message:

"The program [State aid for municipalities], however, is acceptable only if some sensible standard is laid down for the use of the money to be returned to the municipalities. Some overriding purpose must be served. There is no better purpose to be served -- at this turbulent time in our nation's history, when crime in the streets and organized

criminal activity concern all our people -- than the purpose of law enforcement. I am therefore recommending that the moneys returned to the municipalities by Senate Bill No. 721 be used solely and exclusively for law enforcement purposes. It is not sufficient that we support our police by slogans when it is within our power to do something about the shamefully low salaries which we pay. For instance, a patrolman in the City of Trenton receives a beginning salary of \$6,725 per year. His counterpart in Bridgeton receives \$5,400 and in Newark, where the difficult problems confronting the police are well known, the beginning salary is \$6,951. We cannot in good conscience continue to ask young men to risk their lives in defense of society and at the same time deny them a living wage. It is not enough that we decry violence in our cities and the growing power of organized crime when we can provide money for training, communications and police-community relations to efficiently combat those twin evils. Parenthetically, I note that the great demands now being placed upon our uniformed firemen, particularly during instances of civil disorder, warrant their inclusion in any plan for increased compensation."

The override of Senate Bill No. 721 has been accomplished and the matter is closed, although the people of this State should know, as do the members of this Legislature, that it is still possible for the Legislature to rescind its action in that regard.

But putting past actions behind us, we cannot ignore the crisis confronting us, particularly in our urban centers where the demands for police and fire protection are most acute and where our police and firemen are most disadvantaged by the public's failure to pay them a fair and appropriate wage. At the request of certain legislators, I have met with a delegation of police and firemen, and I say to you in all candor that my long-standing belief that these outstanding public servants are grossly underpaid was only reinforced by that meeting.

Today, I call upon you with the greatest urgency that I can muster to establish a State assistance program for police and firemen's salaries in the amount of \$25 million to be paid out of surplus for the fiscal year 1969-70 and to be continued each year thereafter. In order that there be no misunderstanding, I urge that this money be paid directly to municipalities for the purpose of improving police and firemen's salaries.

To maintain sensible flexibility and to take into account those situations, for instance, in which a smaller affluent community may see no need for salary increases, but yet may desperately need a better communications or narcotics control facility or the like, I am recommending that a municipal governing body be given the authority to apply to the State Law Enforcement Planning Agency (SLEPA) for permission to utilize its share of State assistance for law enforcement purposes, other than police or firemen's salaries. Obviously, this kind of application would not be contemplated in a hard-pressed community such as Newark, for instance, in which the crux of the present difficulty is clearly deficient police and firemen's salaries. Moreover, if the Legislature desires to be more directly involved in this process on a continuing basis, I am amenable to a suggestion that the Chairman of the Joint Appropriations Committee be joined with the President of the Senate and the Speaker of the General Assembly as members of SLEPA for the purpose of reviewing such applications as may be made.

I have given considerable thought to the method of apportionment of funds under this new State aid program and conclude that the formula which I suggested in my conditional veto of Senate Bill No. 721 affords the greatest relief to our most needy municipalities. For instance, the cities of Newark, Jersey City, Paterson, Camden, Trenton, Elizabeth, Atlantic City and New Brunswick would share approximately 32 per cent of the amount distributed. However, Senator Wallwork, among others, has suggested that this State aid formula take into account such items as rate of crime and daytime population in a given municipality. While I believe that there is a high correlation between such indicators and

a municipality's tax levy for local purposes, I wish it to be clear that I am not irrevocably wedded to my original formula and would countenance any reasonable alternative that takes into account the greater and more urgent needs of our large urban centers, and for that matter the impoverished smaller communities that have persistent fire and police problems.

While I am on the subject of crime, I take the liberty of requesting early action by this Legislature on the wiretapping bill recently reported by the Senate Committee on Law, Public Safety and Defense. There are certain features of this bill which I might alter or add to, but the bill represents on the whole a sound and careful balance between the competing interests of individual privacy and the urgent struggle against organized crime. As such, the measure has my endorsement and I hope the Legislature will act quickly.

Other measures which the Legislature should favorably consider in this abbreviated but extremely important November session are:

Legislation creating a State-wide grand jury to combat multi-county criminal activity;

An intra-state antitrust law to protect honest businessmen from the infiltration of organized crime, which uses the profits from such illegal activities as narcotics traffic, gambling, and loan sharking to gain undue competitive advantage;

Funds for 50 additional State Troopers, particularly in view of the need for continuing pressure against the narcotics evil;

Enlargement of the State Police Laboratory at West Trenton for technological and scientific services both to the State Police and as support for local law enforcement agencies;

Funds to carry out my request that the Attorney General convene a special grand jury, now sitting, for the purpose of investigating allegations of violations of the criminal laws of this State made during testimony before the Senate Committee on Law, Public Safety and Defense, a substantial portion of which funds will be used to reimburse the County of Mercer for its extraordinary expenses;

An appropriation for the Council Against Crime to enable its continuing study of the social aspects of crime and its continuing search for every modern scientific means available in fighting crime;

The State Police, under the direction of the Attorney General and through amendment to existing legislation in 1967, has developed a uniform court disposition reporting system. It is at present being operated as a pilot program in Mercer County. State-wide operation of the system must be in progress by July 1, 1969, and immediate preparations to achieve this goal are necessary. Failure to commence full-scale operation on July 1, 1969, will severely affect our State Police as a receiving agency from the National Crime Information Center. The instructional phase must begin in January 1969; uniform complaint forms must be printed and distributed to 594 courts, county clerks and prosecutors; the necessary clerical staff and equipment is required now if this system is to operate on schedule. There is needed for this program the sum of \$112,000 from November 1968 to July 1969;

Funds to permit the 8 Planning Regions which will exist under the State Law Enforcement Planning Agency to meet federal planning grants under federal guidelines for the assistance of units of local government in the amount of \$25,384. This small State investment should be compared with the larger funds which it will attract from the federal government;

\$60,000 to supplement the State Police investigative fund covering the cost of the Organized Crime Task Force, the Intelligence Unit and other confidential investigation activities of the State Police.

Another matter of utmost importance to which I must direct the Legislature's attention is the increasing incidence of intrusions into our public schools by persons intent upon disrupting the normal educational process. If there is any place in our society that should be secure from outside agitators, it is our public schools. We must, therefore, make it clear to all concerned that they intrude into these institutions only at the risk of criminal penalty. At the same time, however, any law designed to protect our schools cannot do so at the expense of the constitutional rights of freedom of speech and assembly. In September I vetoed a bill intending to reach the problem of school intrusions but which did so by severely abridging constitutional guarantees. I am today introducing a measure which, after careful study, commends itself to me as a strong and effective measure against intrusions which is at the same time without constitutional infirmity.

Much has been said about crime in the State of New Jersey. And the growth of crime, which is a national phenomenon, presents a constant temptation

to use its incidence for political or partisan dispute or advantage. Yet no one wants crime, and all of us are determined to use every resource to fight it. There should be nothing partisan in marshalling every possible weapon we have against crime, and I can conceive of no subject more demanding of co-operation between political parties and among the various branches of State and local government than a determined, all-out, and unrelenting war on crime. No activity could dignify or justify the time in office of any one of us more than the doing of everything humanly possible to defend the lives, persons and property of all the citizens of this State against violent crime and to root out the organized criminal element. I ask you to join me in the substantial expenditure of time, energy, and money which our success will demand.

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

September 10, 1968

SENATE BILL NO. 721

To the Senate:

Pursuant to Article V, Section 1, paragraph 14(b) of the Constitution, I herewith return Senate Bill No. 721, with my objections, for reconsideration.

This bill would allocate 10 per cent of the net receipts of the sales tax revenues, not to exceed \$25 million, to be returned annually to the municipalities of this State on a population basis without specification as to use. I have consistently opposed this proposal for two principal reasons: First, I have viewed a program of aid to municipalities -- to the exclusion of a program for emergency assistance to those school districts which are at the point of collapse and to the exclusion of efforts to rid our State of rat-infested tenements in which people are expected to live and to raise families -- as a gross distortion of priorities. I have been joined in that view by almost every major newspaper in this State and by hundreds of citizens who have written me urging greater emphasis upon some correction of two of the social ills which have beset our society -- inadequate education, indecent and unsanitary housing.

I have not altered my opinion that within the fiscal program which this Legislature saw fit to adopt a wiser allocation of resources could have and should have been made. However, I cannot close my eyes to the fact that as a result of the frank and open discussion which has taken place, legislative authorization has been obtained for a \$12.5 million housing bond issue to go on the ballot in November. If that issue is approved by the people -- and it will be if both political parties honor the unconditional commitment of support which they freely gave -- a beginning will be had toward a solution of housing problems. I do not believe that the Legislature will ignore the opportunity which I have given it today in my conditional veto of Senate Bill No. 841 to address itself, at long last, to the grave and emergent educational problems confronting numerous school districts in this State.

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If the housing bonds are approved and if emergency school education is authorized we will at least have demonstrated our concern. I am confident that the effort, once begun, will be followed to its inevitable conclusion -- a decent education and a decent home for every citizen of this State. In these circumstances a State aid program for municipalities -- the need for which I have never denied -- is acceptable.

The program, however, is acceptable only if some sensible standard is laid down for the use of the money to be returned to the municipalities. Some overriding purpose must be served. There is no better purpose to be served -- at this turbulent time in our nation's history, when crime in the streets and organized criminal activity concern all our people -- than the purpose of law enforcement. I am therefore recommending that the moneys returned to the municipalities by Senate Bill No. 721 be used solely and exclusively for law enforcement purposes. It is not sufficient that we support our police by slogans when it is within our power to do something about the shamefully low salaries which we pay. For instance, a patrolman in the City of Trenton receives a beginning salary of \$6,725 per year. His counterpart in Bridgeton receives \$5,400 and in Newark, where the difficult problems confronting the police are well known, the beginning salary is \$6,951. We cannot in good conscience continue to ask young men to risk their lives in defense of society and at the same time deny them a living wage. It is not enough that we decry violence in our cities and the growing power of organized crime when we can provide money for training, communications and police-community relations to efficiently combat those twin evils. Parenthetically, I note that the great demands now being placed upon our uniformed firemen, particularly during instances of civil disorder, warrant their inclusion in any plan for increased compensation.

To those who would argue that conditioning the use of State-aid money for law enforcement is proper in regards to large municipalities but does not reflect the needs of smaller communities, I call attention to recently published statistics

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of the Federal Bureau of Investigation documenting the alarming increase of crime in suburban America. Crimes against person and property have increased sharply in the most prosperous communities. Narcotics pushers ply their dirty trade in the suburb as well as the city. The record is tragically clear -- there is not a municipality in the State which does not have a need for some improvement of law enforcement, even including a regional defense against crime. Adoption of the recommendations contained herein will provide the means by which every municipality, acting separately or jointly, can step up its efforts against crime.

In order that the State be assured that law enforcement purposes are being served by the revenue returned under Senate Bill No. 721, I am recommending that each municipality's allocation be set aside until such time as a plan for its use has been approved by the newly created State Law Enforcement Planning Agency (SLEPA). This agency, created by Executive Order No. 45, is composed of representatives of the three branches of government and is already charged with the administration of funds received by this State under the Federal Safe Streets and Crime Act. It has been estimated that the State of New Jersey will be entitled to approximately \$16 million per year under the federal program. SLEPA will plan for its use and assist municipalities in deriving the greatest possible benefit from that money. Oversight by SLEPA as to the use of State money under Senate Bill No. 721 will provide a coordinated State-Federal-local effort under which municipalities can use State money to match federal contributions, thereby assuring a maximum effort against crime.

Finally, I am suggesting that the formula for distribution of money under this program be somewhat modified as to more truly reflect the current burden upon individual municipalities and the efforts that those municipalities are making to help themselves. Rather than reliance strictly upon population, I recommend that the money be apportioned under this act based on the ratio which a municipality's tax levy for local purposes bears to the total raised for local purposes by all the municipalities of this State. In this way, those municipalities which have the greatest need for police, fire, sanitation and other services will receive a fairer share of the money to be distributed.

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Much has been said for and against Senate Bill No. 721. At times the debate has been acrimonious and bitter. I hope that the controversy can now be ended on the common ground of our desire to bring peace to the streets and security to the homes of our State. Partisan differences could not be laid aside for a more worthy goal.

For these reasons, I return herewith Senate Bill No. 721 and recommend that it be amended as follows:

On page 1, section 1, delete lines 2 and 3 and insert in lieu thereof the following:

"a. 'Taxes raised for local purposes' means that amount raised for local municipal purposes, exclusive of bank stock taxes, and district school taxes as shown in the table of aggregates prepared pursuant to Revised Statutes 54:4-52(19)b."

On page 2, section 2, lines 7 and 8, delete "general municipal purposes", and insert in lieu thereof, "law enforcement purposes. Said money to be set aside in a special account and released to the respective municipality upon approval of a plan for its use for law enforcement purposes to be submitted to and approved by the State Law Enforcement Planning Agency (SLEPA) created by Executive Order No. 45.

In reviewing any plan submitted to it, the State Law Enforcement Planning Agency shall take into consideration the compatability or incompatability of said plan with a comprehensive statewide law enforcement plan".

On page 2, section 3, line 8, delete "population of" and insert in lieu thereof "amount of taxes raised for local purposes by".

On page 2, section 3, line 9, delete "population of" and insert in lieu thereof "amount of taxes raised for local purposes by".

On page 2, section 5, line 6, after "act." insert "The allocation shall be determined on the amounts to be raised by taxation for local municipal purposes during the year in which certification pursuant to this section is made."

On page 2, section 5, line 10, delete "." and insert in lieu thereof ", provided the use to which said money is to be put has been approved by the State Law Enforcement Planning Agency."

[Seal]

Respectfully,

/S/ RICHARD J. HUGHES

GOVERNOR

Attest:

/S/ ALAN J. KARCHER

Acting Secretary to the Governor

S-721

from the Office of the Governor

For Immediate Release: August 16, 1968

STATEMENT BY GOVERNOR RICHARD J. HUGHES

I wish today to announce my intention to submit to the Legislature, upon its return on September 9, a conditional veto of Senate Bill No. 721.

The reasons for my opposition to S-721 in its present form are well known. While I applaud the principle of raising the State's contribution to the cost of local government, it is clear from my efforts over the years to increase State aid to education and other vital municipal services -- I have strongly opposed any measure which, like S-721, would hand out State funds to municipalities with no strings whatsoever attached. I believe that the taxpayers of this State are entitled to know, and must know, precisely what their State tax dollars are purchasing in the way of important municipal services.

I have also been concerned that the formula for distribution of funds as outlined in S-721 does not take into full account the serious, and indeed the emergency nature of problems confronting some municipalities in this State. It is especially important now, when a mechanism for substantial distribution of State funds to municipalities is being established for the first time, to insist that this formula will reflect to the maximum possible degree an appreciation of the seriousness and the extent of the different problems that confront municipalities throughout the State.

Accordingly I shall recommend in my conditional veto message a change in the distribution formula largely related to the amount municipalities now spend in providing municipal services. I am convinced that a revised formula of this kind will lead to a far more efficient and equitable distribution of funds under this program.

I shall also recommend that the funds made available under S-721 be reserved for specific purposes in order that taxpayers will know precisely where their tax dollars are being spent and that the cause of efficiency and fiscal soundness will be well served. As the major specific purpose I have in mind the enhancement of public safety in all of our communities. For there can be no more basic concern for the State and its municipalities than to insure the physical safety of every person who lives in New Jersey. This renewed emphasis on public safety should, in my judgment, make provision for State aid to raise salaries of both policemen and firemen.

This commitment by the State is in my judgment long overdue, for in many of our municipalities police and firemen, who constitute the thin line of defense between the public safety, on one hand, and suffering and disaster, on the other, receive entirely inadequate compensation for their work. Since the early 1950s I have spoken out for higher salaries for police in order to achieve law enforcement and public safety of

ighest possible order, and I am convinced that in S-721 the State has at long last
he means to embark decisively on this crucial mission.

I intend to discuss the details of my conditional veto message with Senator
inaldo, the prime sponsor of S-721, in the hope of working out with him any remaining
roblems on this matter.

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